

## Message Text

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ORIGIN NEA-09

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DRAFTED BY NEA/ARN:PKBULLEN:GCB

APPROVED BY NEA/ARN:DAKORN

L/NEA:JAROHWER (DRAFT)

XMB:BSANTOS (DRAFT)

----- 041792

R 251915Z FEB 75

FM SECSTATE WASHDC

TO AMEMBASSY DAMASCUS

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E.O. 11652: N/A

TAGS: EFIN, SY, US

SUBJECT: EXIMBANK CLAIM

REF: DAMASCUS 473

1. FOLLOWING IS PROPOSED SUBSTANTIVE TEXT FOR DIPLOMATIC NOTE AS REQUESTED REFTEL ON \$82,584.97 DUE UNDER EXPORT-IMPORT BANK GUARANTEES ON GOODS EXPORTED TO SYRIA IN 1963-64.

2. BEGIN TEXT: AGRICULTURAL EQUIPMENT WAS IMPORTED ON CREDIT TERMS BY GEORGES R. BOUSTANI AND FILS, P.O. BOX 106, ALEPPO, SYRIA IN 1963-64. CREDIT FOR THE TWO TRANSACTIONS INVOLVED WAS EXTENDED BY FIRST NATIONAL CITY BANK OF NEW YORK AND BANK OF AMERICA, AND THIS CREDIT WAS GUARANTEED BY EX-IM BANK. DEBT IS REPRESENTED BY TWO PROMISSORY NOTES SIGNED BY BOUSTANI FIRM: NOTE NO. 336 DATED SEPTEMBER 16, 1963 FOR DOLS 32,351.27, AND NOTE NO. 356 OF MARCH 5, 1964, FOR DOLS 41,807.73. BOTH NOTES CARRY INTEREST AT RATE OF

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6 PERCENT. INITIAL PAYMENTS WERE MADE BY BOUSTANI FIRM,

BRINGING PRINCIPAL BALANCES DUE DOWN TO DOLS 16,175.62 AND DOLS 34,839.75 RESPECTIVELY.

3. BY DECREE LAW NO. 77 OF APRIL 24, 1965, BOUSTANI FIRM AND OTHERS IN COTTON GINNING INDUSTRY WERE NATIONALIZED. THE BOUSTANI FIRM HAD BEEN CURRENT IN ITS PAYMENTS UNTIL NATIONALIZATION OCCURRED. IN VIEW OF NONPAYMENT, AMERICAN BANKS INVOLVED WERE COMPENSATED BY EX-IM BANK, UNDER TERMS OF GUARANTEES, ON MARCH 31, 1966 (NOTE NO. 356) AND FEB. 18 1967 (NOTE NO. 336). CONSEQUENTLY EXPORT-IMPORT BANK, AN AGENCY OF USG, HAS CLAIM AGAINST SARG FOR BALANCE DUE PLUS INTEREST TO DATE.

4. AMOUNT DUE UNDER NOTE 336 CONSISTS OF OUTSTANDING PRINCIPAL OF DOLS 16,175.62 PLUS INTEREST AT 6 PERCENT FROM SEPTEMBER 16, 1964 TO DATE. AMOUNT DUE UNDER NOTE 6 CONSISTS OF OUTSTANDING PRINCIPAL OF DOLS 34,839.75 PLUS INTEREST AT 6 PERCENT FROM SEPTEMBER 5, 1964 TO DATE. INCLUDING ACCRUED INTEREST, AMOUNT DUE AS OF DECEMBER 3, 1974, TOTALS DOLS 82,584.97. TO THAT SUM SHOULD BE ADDED FURTHER INTEREST AT 6 PERCENT PER ANNUM ON PRINCIPAL OF \$51,015.37 TO DATE OF PAYMENT.

5. EMBASSY REQUESTS THE MINISTRY TO ARRANGE TO HAVE DEBT OWED TO EXIMBANK, DESCRIBED ABOVE, INCLUDED AMONG OTHER OBLIGATIONS WHOSE PAYMENT SARG IS CURRENTLY NEGOTIATING WITH THE SUCCESSORS OF GEORGES R. BOUSTANI. IN MAKING THIS REQUEST, GOVERNMENT OF THE UNITED STATES DOES NOT IN ANY WAY RELINQUISH ITS POSITION THAT SARG IS RESPONSIBLE FOR PAYMENT OF ENTIRE DEBT OWED TO EXPORT-IMPORT BANK OF THE UNITED STATES - END TEXT. KISSINGER

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## Message Attributes

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**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CLAIMS, NEGOTIATIONS, DEBT REPAYMENTS  
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**Copy:** SINGLE  
**Draft Date:** 25 FEB 1975  
**Decaption Date:** 01 JAN 1960  
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**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** johnsorg  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Disposition Reason:**  
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**Review Transfer Date:**  
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**TAGS:** EFIN, SY, US, XMB  
**To:** DAMASCUS  
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